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Agenda item 6

DRAFT REPORT OF THE WORKING PARTY ON THE MEDIUM-TERM PLA AND THE PROGRAMME BUDGET ON ITS TWENTY-SIXTH SESSION

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Speakers: Deputy to the Secretary-General of UNCTAD
Switzerland

Note for Delegations

This draft report is a provisional text circulated for clearance b delegations.

Requests for amendments - to be submitted in English or French - should be communicated by **Wednesday, 13 December 1995 at the latest** to:

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INTRODUCTION

1. The twenty-sixth session of the Working Party on the Medium-term Plan an the Programme Budget was held at the Palais des Nations, Geneva, from 5 to 8 December 1995. In the course of the session, the Working Party held ... plenary meetings - the 110th to ...th meetings. All other meetings were informa and held in private.

Chapter I

REVIEW OF THE TECHNICAL COOPERATION ACTIVITIES OF UNCTAD AND THEIR FINANCING

(Agenda item 3)

2. For its consideration of this agenda item, the Working Party had before it the following documentation:

"Technical cooperation programme of UNCTAD, 1994 - report by the UNCTAD secretariat" (TD/B/WP/92 and Add.1);

"In-depth study on UNCTAD's ASYCUDA programme - study by the UNCTAD secretariat" (TD/B/WP/93)

3. The **Deputy to the Secretary-General of UNCTAD**, introducing the item, said that technical cooperation expenditures of UNCTAD would amount to about $43 million for the biennium 1994-1995. This figure corresponded to about 40 per cen of the programme budget. Funding by UNDP had decreased since the 1980s and its share had fallen to about 50 per cent in 1994 and 37 per cent in 1995. Overall delivery had, however, been maintained because of the increase in contribution to trust funds, which had averaged $2 million in the 1980s but now exceeded $12 million annually. As requested by member States, UNCTAD was coordinating its technical cooperation activities with those of other organizations, particularl ITC and more recently WTO.

4. An international seminar had been organised by the Swiss authorities in cooperation with UNCTAD in Ascona on 23-24 November on "technical cooperation for trade and development in the face of globalization". The seminar had highlighted the need to ensure adequate coordination among trade-related technical cooperation agencies. Information was available in the secretariat's report (TD/B/WP/92) on action taken by the secretariat to implement the recommendations arising out of the 1994 policy review of technical cooperation by the Board.

5. With regard to the in-depth study of the ASYCUDA Programme (TD/B/WP/93), the study contained a number of lessons learnt and recommendations for action. A special presentation would also be made to the Working Party on UNCTAD activities in support of national capacity-building associated with internationa trade negotiations.

6. The Secretary-General of UNCTAD wished to stress the importance he attached to an effective technical cooperation programme, which offered a visible and practical example of UNCTAD's relevance. With regard to priority-setting, the ex post composition of the programme was the result of many individual decisions made by beneficiaries, donors and the secretariat, but all UNCTAD-executed projects were expected to satisfy certain basic criteria.

7. Finally, he expressed his appreciation to donors for their contributions to UNCTAD's technical cooperation programme. However, continued or increased support would be necessary to meet the needs of the countries requiring particular assistance, namely the countries in Africa and the least developed countries.

8. The representative of **Switzerland** said that the Ascona seminar on technical cooperation in trade (23-24 November 1995) had had two objectives: one was to identify new technical cooperation requirements in the wake of the Uruguay Round, and the other was to strengthen cooperation among the various international organizations providing technical assistance. The first objective had been substantially met, and in particular the excellent paper presented by UNCTAD had contributed to a better understanding of the immediate and long-term requirements. For the second objective, however, a clear division of labour and demarcation among the various organizations providing technical assistance had not proved possible. The seminar had agreed that the best approach was to promote "centres of excellence" in the various organizations based on their comparative advantage. In the case of UNCTAD, Switzerland had supported and would continue to support programmes which were in line with that principle, particularly those programmes relating to debt management, trade efficiency, and risk management in commodities. A positive interaction between technical cooperation and the substantive work of UNCTAD's intergovernmental machinery was beneficial to both, and a good example of such interaction was provided by the trade efficiency programme.

9. ASYCUDA was at the centre of discussion at the current session of the Working Party. The secretariat's report (TD/B/WP/93) recorded the impressive achievements of the ASYCUDA programme, but his delegation was disappointed with the report. It lacked coherence, was thin in terms of recommendations and contained sweeping criticism of the programme which was not substantiated by the text. Moreover, it referred to donor concerns, but Switzerland as a donor had not been consulted, and his delegation was not aware that such concerns had been expressed. Of course, there was room for improvement in the programme, particularly with regard to communication between the secretariat, donors and beneficiaries. Finally, he expressed his delegation's concern at the lack of

progress in establishing an equitable and transparent allocation of overheads in the secretariat. He hoped the Working Party would receive a report on this matter.

Chapter II

ORGANIZATIONAL MATTERS

A. Opening of the session

(i) The twenty-sixth session of the Working Party was opened on 5 December 1995 by Mr. Markus Kummer (Switzerland), Chairman of the Working Party at its twenty-fifth session.

B. Election of officers

(Agenda item 1)

(ii) At its 110th (opening) plenary meeting, on 5 December 1995, the Working Party elected Mr. Miroslav Pise (Czech Republic) as its Chairman and Mr. Behzad Alipour Tehrani (Islamic Republic of Iran) as its Vice-Chairman-cum-Rapporteur.

C. Adoption of the agenda and organization of work

(Agenda item 2)

(iii) Also at its 110th plenary meeting, the Working Party adopted the provisional agenda for its twenty-sixth session (TD/B/WP/91), as follows:

1. Election of officers
2. Adoption of the agenda and organization of work
3. Review of the technical cooperation activities of UNCTAD and their financing
4. Provisional agenda for the twenty-seventh session of the Working Party
5. Other business
6. Adoption of the report of the Working Party to the Trade and Development Board.

D. Provisional agenda for the twenty-seventh session of the Working Party

(Agenda item 4)

[To be completed]

E. Adoption of the report of the Working Party to the Trade and Development Board

(Agenda item 6)

[To be completed]